[7th December 1961

APPENDIX IX.

REPORT OF THE SELECT COMMITTE ON THE MADRAS LOCAL AUTHORITIES FINANCE BILL, 1961 (L.A. BILL No. 34 OF 1961).

To

THE HONOURABLE THE LEGISLATIVE ASSEMBLY,
MADRAS.

The Select Committee appointed to consider the Madras Local Authorities Finance Bill, 1961 (L.A. Bill No. 34 of 1961) has the honour to make the following report.

2. The Bill was published in English in Extraordinary issue of the *Fort St. George Gazette*, Part IV—Section 3, dated 26th August 1961, and in Tamil on the 25th October 1961.

3. The Committee was appointed by a resolution of the Assembly, dated the 27th September 1961.

4. The Committee met in the Members' Lounge Room, Fort St. George, Madras-9, on the 13th November 1961 and subjected the provisions of the Bill to a thorough scrutiny.

5. The Committee decided that the provisions of this Act should be made applicable to township committees also. Clause 2 has been amended accordingly.

6. The Committee decided that the Bill need not be republished.

7. A copy of the Bill as amended by the Committee is annexed to the Report.

MADRAS-9,
13th November 1961

LOURDHAMMAL SIMON,
Chairman.

ANNEXURE.

(*Vide* paragraph 7 of the Report.)

(NOTE.—Changes made by the Select Committee in the Bill are underlined) L.A. Bill No. 34 of 1961,

A Bill to enable local authorities to augment their finances by empowering them to levy certain taxes.

WHEREAS it is expedient to enable local authorities to augment their finances by empowering them to levy certain taxes;

BE it enacted in the Twelfth Year of the Republic of India as follows :—

1. *Short title and commencement.*—(1) This Act may be called the Madras Local Authorities Finance Act, 1961.

(2) It shall come into force on such date as the Government may, by notification, appoint.

7th December 1961]

2. *Definitions.*—In this Act, unless the context otherwise requires.—

(*a*) "Entertainments Tax Act" means the Madras Entertainments Tax Act, 1939 (Madras Act X of 1939);

(*b*) "Government" means the State Government;

(*c*) "local authority" means—

(i) the Corporation of Madras, or

(ii) a municipal council or a township committee constituted under the Madras District Municipalities Act, 1920 (Madras Act V of 1920), or

(iii) a township committee constituted under the Mettur Township Act, 1940 (Madras Act XI of 1940) of the Courtallam Township Act, 1954 (Madras Act XVI of 1954) or the Bhavanisagar Township Act, 1954 (Madras Act XXV of 1954), or

(iv) a panchayat union council constituted under any law for the time being in force;

(*d*) "year" means the financial year;

(*e*) all words and expressions used but not defined in this Act and defined in the Entertainments Tax Act shall, in relation to a tax leviable under section 3, have the meanings respectively assigned to them in that Act.

3. *Levy of taxes as surcharge on entertainments tax and on tax on cinematograph exhibitions.*—(1) Any local authority may levy, in the form of a surcharge,—

(*a*) a tax on each payment for admission to any entertainment held within the local limits of the local authority at such rate, not exceeding the rate of tax levied under section 4 of the Entertainments Tax Act for that payment, as the local authority may determine;

(*b*) a tax on each show of cinematograph exhibition held within the local limits of the local authority at such rate not exceeding three times the rate of tax levied under section 4-A of the Entertainments Tax Act for that show, as the local authority may determine.

(2) Any resolution of a local authority determining to levy a tax under sub-section (1) shall specify the date from which it shall be levied;

(3) Where any resolution under this section has taken effect for a particular year, no proposals to alter the rate or date fixed in such resolution so far as that year is concerned shall be taken into consideration by the local authority concerned.

(4) Any resolution abolishing an existing tax levied under sub-section (1) or reducing the rate of such tax shall not be carried into effect without the sanction of the Government.

(5) When a local authority shall have determined to levy a tax under sub-section ((1) for the first time or at a new rate, the local authority shall forthwith publish a notice in such manner as may be prescribed, specifying the rate at which and the date from which such tax shall be levied.

[7th December 1961

4. *Tax under section 3 to be assessed and collected by the Government.*—(1) Any tax payable under section 3 shall be assessed and collected by the Government in the manner provided in sub-section (2).

(2) The authorities for the time being empowered to assess, collect and enforce payment of any tax under the Entertainments Tax Act shall, subject to any rules made under this Act, assess, collect and enforce payment of any tax payable under clause (*a*), or clause (*b*), of sub-section (1) of section 3 (including any penalty payable in respect thereof) in the same manner as the tax under section 4 or section 4-A, as the case may be, of the Entertainments Tax Act is assessed, paid and collected; and for this purpose they may exercise all or any of the powers they have under the Entertainments Tax Act; and the provisions of that Act including the provisions relating to composition of tax, returns, appeals, revisions, offences, penalties and the compounding of offences, shall apply accordingly.

(3) Notwithstanding anything contained in sub-section (2), the proceeds in any year of any tax so collected shall be paid to the local authority concerned after deducting towards the expenses incurred by the Government such percentage of the proceeds as the Government may fix.

5. *Power to exempt.*—Notwithstanding anything contained in this Act, any local authority may, with the previous sanction of the Government, exempt—

(*a*) admissions to any entertainments or class of entertainments from liability to the tax payable under clause (*a*) of sub-section (1) of section 3;

(*b*) shows of any cinematograph exhibition or class of exhibitions from liability to the tax payable under clause (*b*) of sub-section (1) of section 3.

6. *Other laws not affected.*—The provisions of this Act are in addition to, and not in derogation of, the Entertainments Tax Act or any other law for the time being in force.

7. *Amendment of section 99, Madras Act IV of 1919.*—In the proviso to sub-section (2) of section 99 of the Madras City Municipal Act, 1919 (Madras Act IV of 1919) for the figures and words " 20 per cent " the figures and words " 25 per cent " shall be substituted.

8. *Power to mae rules.*—(1) The Government may make rules for the purpose of carrying out the provisions of this Act.

(2) All rules made under this Act shall be published in the *Fort St. George Gazette*, and, unless they are expressed to come into force on a particular day, shall come into force on the day on which they are published.

(3) Every rule under this Act shall, as soon as possible after it is made, be placed on the table of both Houses of the Legislature and if. before the expiry of the session in which it is so placed

7th December 1961]

or the next session, both Houses agree in taking any modification in any such rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of effect, as the case may me, so however, that any modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

9. *Power to remove difficulties.*—(1) If any difficulty arises in giving effect to the provisions of this Act, the Government, as occasion may require, may, by order, do anything which appears to them necessary for the purpose of removing the difficulty.

(2) Every order issued under sub-section (1), shall, as soon as possible after it is issued, be placed on the table of both Houses of the Legislature. and if, before the expiry of the session in which it is so placed or the next session, both Houses agree in making any modification in any such order or other Houses agree that the order should not be issued, the order shall thereafter have effect only in such modified form or be of no effect, as the case may be, so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that order.

APPENDIX X.

REPORT OF THE SELECT COMMITTEE ON THE MADRAS PUBLIC TRUSTS (REGULATION OF ADMINISTRATION OF AGRICULTURAL LANDS) BILL, 1961 (L.A. BILL No. 47 OF 1961).

To

THE HONOURABLE THE LEGISLATIVE ASSEMBLY,
MADRAS.

The Select Committee appointed to consider the Madras Public Trusts (Regulation of Administration of Agricultural Lands) Bill, 1961 (L.A. Bill No. 47 of 1961) has the honour to make the following report.

2. The Bill was published in English in Part IV, Section 3 of the *Fort St. George Gazette Extraordinary*, dated the 29th September 1961, and in Tamil in the *Fort St. George Gazette*, dated the 11th October 1961.

3. The Committee was appointed by a resolution of the Assembly, dated 9th November 1961.

4. Eight Members of the Legislative Council were also invited by the Chairman to attend the meetings of the Committee.

5. The Committee met on the 20th and 21st November 1961 in the Committee Room, Legislators' Hostel, Mount Road, Madras and on the 22nd November 1961 in the Lounge Room, Fort St. George, Madras-9 and subjected the clauses of the Bill to a detailed scrutiny and has made some changes therein. Some of the important changes made by the Committee are noted below.